ANALYTICAL NOTE — CLIMATE FINANCE AND PUBLIC FINANCIAL MANAGEMENT

Financing Climate Action Under a Debt Constraint: Senegal Between NDC 3.0 and Fiscal Crisis

Climate ambition nearly doubled, financing capacity halved: what the 2025-2026 crisis is doing to Senegal's climate agenda.

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EXECUTIVE SUMMARY · Résumé analytique

In December 2023, a technical note (J. Lepain & J. Rollins, 2023) described a Senegalese climate architecture under rapid construction: a first costed nationally determined contribution, a validated sustainable finance framework, a first green budget annexed to the 2024 finance act, a decree integrating climate into public investment management, and an IMF program carrying a dedicated resilience window of 324 million dollars. The implicit bet was that architecture would precede resources.

Three years on, the architecture has indeed consolidated — and the resources have vanished. **NDC 3.0, validated on 5 April 2026, raises the emissions reduction target from 7 percent to a range of 13 to 17 percent by 2030**, and for the first time incorporates loss and damage, gender, and carbon markets. The green budget is in its third edition, with roughly CFAF 550 billion of climate-sensitive investment projects identified for 2026. A national adaptation plan for flooding was validated in late December 2025.

But the IMF's resilience window has been dormant since the program was suspended in 2024, with no successor as of 11 August 2026. The **Just Energy Transition Partnership, announced in June 2023 at 2.5 billion euros, has produced no documented disbursement three years later**, and 1.816 billion of its envelope consists of concessional loans — hard to absorb for a state whose public debt has been revised to between 119 and 132 percent of GDP. The announced sovereign green bond has still not been issued; it was a public utility, SENELEC, that raised CFAF 120 billion in late 2025.

The budgetary contrast captures the difficulty: **CFAF 412.6 billion in energy subsidies actually executed in 2025**, against combined revenue from the main environmental taxes of the order of **CFAF 1.7 billion**. This note argues that Senegal must now treat climate not as a sectoral chapter of the budget but as a variable of its debt strategy — and that the instruments linking the two, debt-for-climate swaps and climate-resilient debt clauses, are today conspicuously absent from national debate. Two documents published since alter the picture, however: a **National Strategy for Financing Climate and Disaster Risks 2025-2030**, which at last quantifies the fiscal cost of climate risk, and the 2027-2029 DPBEP, which for the first time budgets allocations to the oil funds.

1. Climate ambition: from the 2020 NDC to NDC 3.0 in 2026

A correction to widely repeated figures is required first. The nationally determined contribution submitted in December 2020 set an unconditional target of a **5 percent reduction by 2025 and 7 percent by 2030** against a business-as-usual scenario, and a conditional target of **23.7 percent and 29.5 percent** — not 20 and 30 percent, figures that circulate widely, including in analytical documents. Implementation cost was assessed at **13.08 billion dollars**, of which 8.7 billion was for mitigation and 4.3 billion for adaptation, financed by 4.8 billion in national resources and 8.2 billion in external support. UNFCCC, Senegal NDC, December 2020.

The revision process was launched in July 2025, and **NDC 3.0 was validated nationally on 5 April 2026**. Ambition is nearly doubled: the Director of Climate Change summarized the shift as moving "from a commitment level of 7 percent in NDC 2.0 to an ambition of between **13 and 17 percent**." Published trajectories place the business-as-usual scenario at 30.42 $MtCO_2e$ in 2030, the unconditional scenario at 26.43, and the conditional scenario at 18.43. Le Soleil and APS, April 2026; PressAfrik, 2026. A clarification is needed about what this note implied: **NDC 3.0 does contain targets for 2035**, in line with the Paris Agreement cycle. The business-as-usual scenario reaches 32.35 $MtCO_2e$ there, the unconditional scenario 26.88 $MtCO_2e$ and the conditional scenario 15.75 $MtCO_2e$, a 51 percent gap against the **business-as-usual** scenario. Medium-term ambition is therefore higher than a reading of the 2030 horizon alone would suggest.

Three content innovations deserve mention, as they did not exist in 2020: recognition of **loss and damage**, integration of **gender and social inclusion**, and treatment of **carbon markets** as a financing instrument. **The financial costing of NDC 3.0 is published nowhere**: the only order of magnitude available remains the 2020 figure of 13.08 billion dollars, which nonetheless corresponded to an ambition half as large. Above all, **nothing attests to the contribution having been submitted to the UNFCCC registry** four months after its national validation, whereas Benin, Cameroon, Guinea, and Côte d'Ivoire have submitted theirs. Without formal submission, several financing windows remain closed.

On adaptation, the framework has broadened: a national adaptation plan for coastal zones published in 2022, a plan for agriculture validated at a cost of CFAF 280.57 billion, and above all a **national adaptation plan for flooding validated on 30 December 2025** in Dakar, built around anticipation, coordination, and risk culture, and operationalized through a population resilience program.

2. The green budget: an established practice, still partial tagging

Contrary to what the 2023 note might have assumed (J. Lepain & J. Rollins, 2023), the green budget did not remain a one-off. The Budget Directorate has published **three editions — 2024, 2025, and 2026** — and it is now presented, alongside the gender budget, as one of two innovations in the new budget architecture.

Sector (2026 green budget)	Amount (CFAF billion)
Infrastructure	261.4
Transport	103.7
Water and sanitation	66.0
Agriculture and livestock	64.7
Energy	44.7
Fisheries	3.9
Environment	3.2
Mining	2.6
Sector total (authors' calculation)	≈ 550.2

Sector (2026 green budget)	Amount (CFAF billion)
Climate risk provision	9.08

Source: Green Budget 2026, Budget Directorate, tables 4 to 11. The sector total is the authors' addition, verified item by item in the document: the green budget publishes neither an overall total nor a share of the state budget.

Reading the document itself, however, hardens the finding, because it states its own limit. Each of the eight sector tables is headed "**a few** climate-sensitive investment projects," and the text says plainly that "**not all projects in the sectors concerned have been taken into account**." The sectors selected — infrastructure, agriculture and livestock, energy, mining, transport, fisheries, water and sanitation, and environment — were chosen because the NDC targets them. The green budget is therefore not an exhaustive perimeter whose total someone forgot to compute: it is a **selection**, and the CFAF 550 billion is its floor, not its measure. Green Budget 2026, section 3.2.2.

Set against the CFAF 7,433.9 billion of expenditure in the 2026 finance act, these projects would represent roughly **7.4 percent of the budget** — a ratio to be handled with care, since it compares capital spending to a total budget, and is not published by the state.

This is where the methodological limitation lies. Senegal's green budget is an **inventory of climate-sensitive investment projects**, classified as adaptation, mitigation, or combined action. It is not a comprehensive budget tagging exercise distinguishing favorable, unfavorable, and neutral expenditure — the only approach that would allow the CFAF 550 billion displayed to be set against the CFAF 412.6 billion of energy subsidies executed in 2025. The absence of a formal climate budget tagging mechanism is indeed the principal recommendation addressed to Senegal on climate governance. Climate Action Tracker.

2.1 The climate risk provision, cut to a third

The green budget devotes a section to the provision for fiscal risks arising from natural disasters, and the trajectory it sets out deserves to be followed line by line. In **2024**, that provision stood at **CFAF 30 billion** — and the document states that it **was not drawn on**, "even though fiscal risks linked to natural disasters (flooding) did materialize." It is precisely for that reason, it continues, that the 2025 finance act brought it down to **CFAF 18.09 billion**, before the supplementary finance act of the same year cut it to **CFAF 5 billion**. For **2026**, it is set at **CFAF 9.08 billion**.

Provision for natural disaster risks	2024	2025 initial	2025 supplementary	2026
Amount (CFAF billion)	30.00	18.09	5.00	9.08

Source: Green Budget 2026, section 3.2.1.

The reasoning is revealing: the instrument was reduced **because it had not been used**, not because the risk had diminished. Yet the absence of any drawdown in 2024 does not signal the absence of a disaster — that year saw the Senegal River flood and more than 16,000 hectares submerged — but the heaviness of the mechanism: committing the funds requires a reasoned request to the Minister of Finance establishing that the expenditure is urgent, unforeseeable, and unavoidable. A provision that does not trigger when the hazard occurs ends up being treated as a reserve available for other trade-offs. Set against the **CFAF 519 billion** the state itself costs for an extreme flood, the 2026 provision covers **1.7 percent**.

Decree No. 2023-2142 of 31 October 2023, integrating climate criteria into public investment management, is live: it is cited as the reference framework by the 2026 green budget, and the requirement of prior environmental analysis for any project above CFAF 500 million is documented. By contrast — and this corrects the expectations of 2023 — **the effective existence of climate units in each ministry, of a pipeline selection committee, and of a climate project database is not publicly documented**. The 2026 green budget mentions only the national climate change committee and its regional branches, together with the meteorological agency. Senegal moreover has neither a climate law nor a dedicated advisory authority.

One last marker gives a sense of the order of magnitude. The budget of the Ministry of Environment and Ecological Transition was raised, in the 2026 finance act, to **CFAF 150.6 billion in commitment authorizations and CFAF 117.2 billion in payment appropriations**, against CFAF 49.75 billion in 2025 — an increase of nearly 140 percent, which deserves to be welcomed. Of that total, the "pollution and climate change" program accounts for **CFAF 9.63 billion**. Set against the **CFAF 729 billion** of hydrocarbon subsidies in 2026, the ministry's payment appropriations represent less than a sixth of that single line. APS and RTS, budget review in the finance committee, 3 December 2025.

3. Financing: a high-quality framework, flows that do not follow

3.1 The sustainable finance framework and the green bond that never came

The Sustainable Finance Framework Document was published on **6 September 2023** — not in June, as is often written. This 82-page document combines a use-of-proceeds approach with a sustainability-linked approach, covers seven social and three environmental categories, and received the highest alignment rating from an independent second-party opinion provider. The Court of Auditors is associated with the review of annual indicator reports.

Three years later, **the state has still not issued a sovereign green bond**. The Minister of Finance stated on 3 November 2025 that Senegal intended to be the first issuer on the regional market, without announcing an amount. In the meantime, **SENELEC carried out the benchmark transaction**: CFAF 120 billion raised between 29 September and 5 November 2025, of which CFAF 63 billion as a green bond and CFAF 57 billion as a sustainability-linked bond — presented as the first African operation combining the two formats.

The SENELEC transaction has since taken a further step: it was **listed on 13 July 2026 on the Luxembourg Stock Exchange and displayed on the Luxembourg Green Exchange**, dual-listed with the BRVM, for roughly **164 million euros**. The green tranche represents 52.5 percent of the proceeds and finances renewable energy and energy efficiency; the sustainability-linked component is tied to two indicators — the reduction of transmission losses and the extension of electricity access. The transaction was structured by BOAD Titrisation and enhanced by a GuarantCo guarantee, and is presented as the first securitization by an African utility combining a green bond and a sustainability-linked bond.

The contrast is all the sharper: a state-owned company, backed by an external guarantee, is the one accessing the international green market, while the state itself has still not issued. The regional context partly explains the delay. The whole of WAEMU has mobilized only about **CFAF 100 billion** for the climate transition, less than **0.003 percent of the global sustainable bond market**, which exceeded 5.7 trillion dollars in 2024. A regional green taxonomy has existed since February 2024, with twenty eligible sub-categories, but the cost of certification remains disproportionate for issues of ten to twenty billion CFA francs; local ESG verifiers are absent, and bankable projects are scarce. Le Soleil, review of sustainable finance in WAEMU, 10 August 2026.

3.2 The JETP: three years, no documented disbursement

The Just Energy Transition Partnership, signed on 22 June 2023 with France, Germany, the European Union, the United Kingdom, and Canada, covered **2.5 billion euros over three to five years**, with a target of **40 percent installed renewable capacity by 2030** — the precise formulation refers to installed capacity, not generation, a distinction frequently omitted.

The investment plan, expected for COP29 in 2024, then for COP30 in 2025, had still not been published by spring 2026, although it was reportedly finalized in summer 2025. **No disbursement is documented** two to three years after signature. Of the 2.5 billion, **1.816 billion euros are concessional loans**. Commitments identified by financier — roughly 670 million euros from AFD, 480 million from KfW, 400 million from the EIB — leave some 950 million committed in principle but unallocated. Mongabay, December 2025; NRGI and Deluair analyses, 2026.

The most thorough analysis of the plan notes that it allocates about 2 billion euros of quick-win projects against a stated need of 9.5 billion, with a very limited grant share, extremely low equity levels on renewable projects, insufficient capital for the grid, and potential misalignment with long-term gas planning exceeding 3 GW by 2050. NRGI, January 2026.

The electricity mix has since been updated. By mid-2026, installed capacity reaches 2,260 MW and the renewable share is around **25 percent**, with an electricity access rate of **84 percent**. The comparison with the 29.1 percent recorded in 2024 is only apparent: the denominator has grown faster than the numerator, new thermal capacity advancing more quickly than renewables. Meeting the 40 percent target by 2030 would therefore require an installation pace far above the one observed.

The projects launched in 2026 are nonetheless substantial: the **Walo Storage** plant at Bokhol, inaugurated in January 2026, 16 MWp coupled with 10 MW / 20 MWh of storage for about 40 million euros; **21 MW** installed by the water utility at Mékhé and Keur Momar Sarr in July 2026; the **Diass** storage unit financed to the tune of 36 million euros by KfW and AFD; the **Linguère** project combining 50 MWp with 30 MW / 90 MWh; and above all a SENELEC tender covering **500 MWp and 100 MW / 400 MWh of storage** at Linguère and Kolda, financing included.

But the gas calendar is advancing in parallel, and faster. The **West African Energy** plant, 360 MW in combined cycle — on its own close to a quarter of the country's installed capacity — was due to be supplied with gas from August 2026; the Gandon plant, 250 MW expandable to 500 MW and fed from Grand Tortue Ahmeyim, enters testing in October 2026; the **Mboro** coal-fired plant is being converted to gas. The path toward 40 percent renewables is therefore being run against a thermal base that is growing at the same time — precisely what the JETP investment plan, still unpublished, should have arbitrated.

3.3 Climate funds: real gains, at small scale

The Green Climate Fund has committed **302 million dollars in Senegal across nineteen projects**, with two accredited direct access entities — the Ecological Monitoring Center and La Banque Agricole. In June 2026, the Least Developed Countries Fund approved 20 million dollars for climate resilience in Senegal and Guinea-Bissau, of which roughly 12.1 million is for the Niayes zone and greater Dakar. Senegal is among the most advanced countries under the Global Shield against climate risks, with a request for support filed in August 2025 and led by the Ministry of Finance.

On insurance, coverage is widening: African Risk Capacity's parametric product — now extended to epidemic risks — a parametric product for the cotton value chain designed with the national agricultural insurance company and the West African Development Bank, and ongoing work on index-based agricultural insurance. These amounts remain far below the exposure: the annual cost of coastal erosion alone in Senegal has been assessed at **537 million dollars** and flooding at 230 million, while the state mobilized **CFAF 1.6 billion to compensate 8,390 households** after the 2025 rainy season.

3.4 Carbon markets: a framework under construction

Senegal signed a memorandum of understanding with Singapore in December 2023, then an **agreement with Norway on 26 November 2025** for the application of Article 6 of the Paris Agreement. A national workshop to finalize the regulatory framework for the future carbon market was held in Dakar on 20 February 2026 — meaning the framework had not yet been adopted at that date. No carbon tax is in force; a 2023 assessment concluded that meeting the NDC target through that instrument alone would require a price of around 170 dollars per metric ton, which is out of reach.

4. The crux: the debt constraint has disarmed climate financing

This is the central lesson of the present update, and it was not foreseeable in December 2023.

The program approved by the IMF in June 2023 included **324 million dollars under the Resilience and Sustainability Facility** — the only concessional instrument explicitly dedicated to climate resilience available to Senegal. Disbursements were suspended in 2024 after reporting errors came to light, and **no new program had been concluded as of 11 August 2026**. The loss of that window deprives the country of its macro-climate anchor. The finding deserves to be pushed further: the Resilience and Sustainability Facility **appears in no Fund document or press release concerning Senegal in 2026**. Neither the press release of 22 June 2026 nor the accounts of the June mission contain a climate component. The requirements bear exclusively on the audit of undisclosed debt, the audit of arrears, and the strengthening of commitment controls. Climate was not traded down in the negotiation: it simply disappeared. By way of comparison, Burkina Faso obtained a staff-level agreement on the first review of its own resilience facility on 26 May 2026.

The effect cascades. The 2026-2028 debt management strategy **assumes the conclusion of an IMF program** to reopen access to concessional resources; without an agreement, the window closes for adaptation too. The JETP, composed mainly of loans, becomes politically and budgetarily difficult to absorb for a state whose indebtedness is reassessed at 119 percent of GDP on the government perimeter and 132 percent on the IMF's. Finally, the ongoing adjustment — the deficit down from 13.4 percent of GDP in 2024 to 6.4 percent in 2025 — operates through expenditure compression, and adaptation investment is precisely the most compressible expenditure in the short run.

One question left open by this note has meanwhile been answered. The balance table of the 2027-2029 DPBEP records, under special allocation accounts, a transfer to the **intergenerational fund of CFAF 39.7 billion in 2027, 16.8 billion in 2028 and 13.7 billion in 2029 — CFAF 70.3 billion in all** — and to the **stabilization fund of CFAF 55.2 billion, in 2027 only**. The oil funds are therefore being fed, which no source had documented until now. Two caveats nonetheless apply: the amounts capture roughly 18 percent of a rent that is itself **declining sharply** — CFAF 397.8 billion in 2027, 168 billion in 2028, 137.4 billion in 2029, or CFAF 703.2 billion over the three years — and contributions to the stabilization fund stop after 2027. Savings from the rent are real, but thin and not durable.

One negative fact deserves to be documented as such: **the instruments linking debt and climate are absent from Senegalese debate**. No operation, negotiation, or formal government proposal for a debt-for-climate swap is documented. The reference strategic note on the debt crisis published in January 2026, which reviews the available options, mentions neither climate finance nor debt-for-nature swaps. National debate turns on reprofiling versus restructuring, on the appointment of financial advisers, on total return swaps. Symmetrically, **no climate-resilient debt clause** — now a standard product at the World Bank and the African Development Bank since COP28 — is documented in any Senegalese debt instrument.

This is a strategic anomaly. The country most exposed in the sub-region to a joint debt-and-climate shock has not put debt-climate instruments on the agenda of its debt treatment.

5. A risk financing strategy at last quantified

In **March 2026**, the Ministry of Economy, Finance and Planning published a **National Strategy for Financing Climate and Disaster Risks 2025-2030**. This 56-page document fills a gap this note had identified: it quantifies Senegal's fiscal exposure to climate hazards, which no earlier source had systematically done.

Hazard	Estimated loss	As % of GDP
Drought, average year	CFAF 13.4 billion	0.08%
Severe drought	≥ CFAF 30 billion	0.18%
Extreme drought	> CFAF 182.4 billion	1.13%
Reference flood	CFAF 138 billion	0.6%
Extreme flood	CFAF 519 billion	2.7%
Average annual cost to the state	≈ CFAF 6 billion	—
Moderate event (10% probability)	> CFAF 22 billion	—
Severe event	≈ CFAF 50 billion	—

Source: National Strategy for Financing Climate and Disaster Risks 2025-2030, Ministry of Economy, Finance and Planning, March 2026.

The strategy also documents the instruments actually in place, and that is where the measure can be taken. Parametric insurance subscribed with African Risk Capacity represents an **annual premium of about CFAF 1.8 billion funded from the budget, for coverage capped at CFAF 21.8 billion**; it has paid out three times since 2014 — in 2014, 2018, and 2019 — for a total of **CFAF 24.3 billion**. On the provisioning side, the budget carries roughly CFAF 20 billion of unforeseen capital expenditure, CFAF 30 billion of current expenditure, and a relief fund endowed with CFAF 15 billion in 2024.

Setting those two series side by side is the salient point: **insurance coverage capped at CFAF 21.8 billion against an extreme flood costing CFAF 519 billion**, or about 4 percent of the loss. The arrangement is real but sized for the routine hazard, not for the shock. And it bears no comparison with the CFAF 412.6 billion of energy subsidies executed in 2025.

The strategy is built on four pillars: reducing institutional fragmentation, fiscal stability in the face of shocks, household resilience through social protection, and **financial protection for small and medium-sized enterprises**. That last pillar requires a correction to our analysis: the meso layer this note identified as missing is no longer missing from the strategic framework. It remains to be funded, scheduled, and measured — the question has moved from design to execution.

6. An adjustment of CFAF 687 billion made outside any finance act

The National Assembly votes the green budget as an annex to the finance act. That presupposes, however, that the finance act remains the effective framework for spending. The major budgetary event of 2026 took place outside it.

Faced with a barrel that moved from 64 dollars — the finance act assumption — to 88 dollars in early August, the Government revalued energy subsidies at **CFAF 729 billion**, against CFAF 250 billion programmed and **CFAF 412.6 billion actually executed in 2025**, a figure the quarterly budget execution report for the year ending 31 December 2025 sets out line by line. Quarterly Budget Execution Report to 31 December 2025, Ministry of Finance and Budget, April 2026, p. 21. To finance the gap without touching pump prices or electricity tariffs, it redeployed **CFAF 687.2 billion** taken from other current and capital lines. The sectors explicitly ring-fenced were listed: education, health, security, local authorities, diplomatic posts, agricultural subsidies, and personnel spending. **Environment and climate are not among them.**

The supplementary finance bill, adopted in the Council of Ministers on 17 June 2026, was to give that decision its legal basis. It was never tabled: on 29 June, the National Assembly received a presidential decree ordering the presentation of the text **without the bill attached**, and on 16 July it was made known that the file had been returned to it incomplete. The extraordinary session opened on 10 August 2026 did not place it on the agenda. **As of 11 August 2026, there is therefore no supplementary finance act for 2026, neither promulgated nor even tabled.**

The consequence for climate analysis is direct. The 2026 green budget describes a voted allocation that actual management has already shifted by CFAF 687 billion, without Parliament having deliberated and without the line-by-line detail of the cuts being published. It is therefore impossible to know whether the CFAF 550 billion of climate-sensitive projects were affected, and in what proportion. A climate tagging arrangement that does not track execution documents nothing but an intention. This is the central blind spot of the edifice: Senegal publishes a green budget, but does not publish a **green account**.

7. Vulnerability and the hydrocarbon contradiction

Exposure has not diminished. Senegal ranks 144th on the ND-GAIN index, with a vulnerability score of 0.534 — the 32nd most vulnerable country in the world — and a readiness score of 0.351; these data, however, refer to 2022 and should be dated as such. The World Bank's country climate and development report, published in October 2024, puts annual losses in the absence of climate action at **3 to 4 percent of GDP by 2030 and 9.4 percent by 2050**, with more than two million people pushed into poverty by mid-century. NDC 3.0 indicates that close to 75 percent of the 700-kilometer coastline is threatened over the long term.

Recent events confirm the urgency: the Senegal River flood of October 2024, with more than 16,000 hectares submerged and over 56,000 people affected in a zone producing 46 percent of the national onion crop; the 2025 rainy season and its compensation scheme; and the interministerial council of 3 July 2026 on the 2026 rainy season, covering basin clearing, a ban on occupation of flood-prone areas, and coordination of water releases at Diama and Manantali. That last council calls for one observation: **no overall envelope was announced**, the Minister of Finance being tasked with collecting needs from the governors before 8 July. Financing for prevention is therefore assembled after the measures are announced, not before.

The 2026 rainy season is in any case shaping up unusually: in May, ANACIM announced a **late and broadly deficient** season, with flood risk pushed back to October, and as of 3 August, every Senegal River level remained below alert thresholds. A dry season is not good news for all that: it shifts the constraint from flooding to agricultural production, and the sovereign parametric insurance described above has not been triggered since 2019. On the investment side, the second phase of the Dakar stormwater management program was launched in February 2026 with more than **CFAF 175 billion** mobilized by the World Bank and the Nordic Development Fund, after more than 50 kilometers of drainage and roughly 1,330 hectares already protected.

The February 2026 oil shock has meanwhile been a brutal reminder of the asymmetry in Senegal's relationship with hydrocarbons. The Economic and Financial Report annexed to the 2026 finance act had set energy subsidies at **CFAF 250 billion** for 2026, against CFAF 412.6 billion executed in 2025, on an assumed barrel of 64.3 dollars against 68.2 dollars. That is a cut of about 39 percent — not the 93.94 percent the report states, a figure inconsistent with its own numbers. The closure of the Strait of Hormuz and Brent above 110 dollars pushed those subsidies to **CFAF 729 billion**. In a matter of weeks, in other words, support for fossil fuels exceeded by more than 30 percent the entire set of climate-sensitive investment projects displayed in the 2026 green budget. The country absorbs the shock as an importer of refined products and a subsidizing consumer before it benefits as a producer.

There remains the contradiction, now openly assumed. Hydrocarbon production is scaling up: Sangomar produced **36.1 million barrels in 2025**, lifting crude exports to CFAF 1,528 billion from CFAF 464.6 billion in 2024; the Grand Tortue Ahmeyim project exported nine LNG cargoes in the second quarter of 2026. Senegalese emissions remain marginal globally — 0.07 percent of the total — and the country has signed the Global Methane Pledge and banned flaring in its 2023 environmental code. But gas expansion plans are judged incompatible with a 1.5 °C pathway, Senegal has adopted neither a net-zero target nor a just transition strategy, and the 2026 government doctrine focuses more on sovereignty and contract renegotiation than on climate compatibility.

The point is not to disqualify that choice: in the short run, hydrocarbon rent is one of the few available sources of foreign exchange and budget revenue in a crisis context. The point is that its articulation with NDC 3.0 is not made explicit, and that this absence weakens Senegal's position in negotiating climate finance.

That articulation will have to be made explicit before long. **COP31 will be held in Antalya from 9 to 20 November 2026**, under the shared presidency of Türkiye and Australia, and Senegal will arrive there with an NDC 3.0 that is not costed and, at this stage, not submitted. The negotiating framework inherited from Belém offers little support: the call to triple adaptation finance by 2035 is not binding and the reference to a base year was removed, while adaptation flows run at some 26 billion dollars a year against an estimated need of close to 310 billion. The fifty-nine indicators of the global goal on adaptation adopted at Belém moreover specify that they create no new financial obligation. Senegal has begun to engage with them: a national workshop to validate its adaptation indicators was held in Dakar on 10 and 11 August 2026, covering the pilot sectors of tourism and land transport infrastructure, with data availability identified as the main obstacle.

8. Recommendations

- **Move from inventory to tagging, and from budget to account.** The green budget itself acknowledges retaining only “a few projects” and not covering all projects in the sectors concerned. Two steps follow: adopt a formal tagging methodology distinguishing favorable, unfavorable, and neutral expenditure, publishing the total and its share of the budget; and **publish an execution statement for climate-sensitive expenditure**, failing which a CFAF 687 billion redeployment can erase the voted allocation without anyone being able to measure it.
- **Cost NDC 3.0 and submit it to the UNFCCC registry.** Publish the implementation cost of the contribution validated in April 2026 and confirm its submission to the registry. The national validation of 5 April 2026 has no international effect until submission has taken place, and an uncosted contribution cannot support any request for conditional financing. It is the least costly and the most immediately blocking measure of the whole agenda.
- **Put debt-climate instruments on the debt treatment agenda.** Commission and publish an assessment of debt-for-climate swap and climate-resilient debt clause options and systematically require a disaster suspension clause in any new sovereign borrowing or refinancing. This is where the climate agenda and the debt agenda can reinforce rather than exclude one another.
- **Restore and ring-fence the climate risk provision.** Cut from CFAF 30 billion to CFAF 9.08 billion between 2024 and 2026 because it had not been drawn on; today it covers 1.7 percent of the cost of an extreme flood as the state itself costs it. Its level needs raising, but above all its drawdown conditions need revisiting: a provision that does not trigger in the year the hazard materializes is not a risk management instrument.
- **Renegotiate the JETP on structure, not on amount.** A partnership composed of 73 percent loans is ill-suited to a country under solvency pressure. The negotiating priority should be the grant share, third-party guarantees, and grid financing, rather than the headline envelope.
- **Document what exists before creating more.** Publish the actual status of ministerial climate units, the pipeline selection committee, and the project database provided for by the 2023 decree. A framework that is announced but not documented damages the credibility of the rest.
- **Make green taxation meaningful or acknowledge it as symbolic.** Revenue from the main environmental taxes is falling and represents roughly 0.02 percent of receipts. Either the instrument is calibrated to matter, or public discourse should stop attributing to it a role it does not play.
- **Publish the status of the oil funds.** Effective contributions to the intergenerational and stabilization funds since 2024 are undocumented. This is a prerequisite for any serious debate on domestic financing of adaptation.
- **Fund and schedule the “financial protection for SMEs” pillar of the National Strategy for Financing Climate and Disaster Risks.** The instrument is no longer missing from the strategic framework, as of March 2026; what is missing is its funding, its deployment schedule, and its coverage indicators. Publishing those three elements in the next green budget would give the strategy operational force.
- **Resize sovereign coverage to the documented risk.** An annual premium of CFAF 1.8 billion for a CFAF 21.8 billion cap covers about 4 percent of an extreme flood the state itself costs at CFAF 519 billion. Raising the cap, joining regional risk-pooling mechanisms, and inserting disaster suspension clauses into new borrowing are the three levers available.
- **Secure contributions to the oil funds beyond 2027.** The DPBEP halts transfers to the stabilization fund after 2027 and shows the rent falling from CFAF 397.8 billion to CFAF 137.4 billion in three years. A minimum allocation rule, independent of the annual level of the rent, would protect climate savings from short-term trade-offs.

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